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TAGS: PREL PGOV NZ
SUBJECT: FOREIGN MINISTER PETERS' TRIP TO WASHINGTON

REF: A. WELLINGTON 486
1B. WELLINGTON 298

Classified By: Ambassador William McCormick,
for reasons 1.4 (b) and (d)

11. (C) Summary: During his July visit to Washington, NZ Foreign Minister Winston Peters hopes to focus discussion away from the nuclear issue and towards positive areas of bilateral cooperation. Peters, who has from the start of his tenure openly called for improved US-NZ relations, will quietly press for the President and PMQrk to meet on the margins of theQC summit. Q an effort to reinforce areas of common interest, Peters also hopes to briefly review NZ's efforts in Afghanistan, assistance to the Pacific Islands Countries (PICs), and military deployments in E.Timor and the Solomons. Although trade is not in his formal brief he will almost certainly mention GNZ's continued interest in a Free Trade Agreement with us, while recognizing it's not in the cards for now.

12. (C) When Peters was appointed as Foreign Minister outside the cabinet, political pundits had predicted he would be shunted aside by former Foreign (now Defence and Trade) Minister Phil Goff or perhaps even bring down the Government. But while the arrangement remains a bit awkward, Peters appears to be working professionally with Goff and the Prime Minister and has carved a place for himself in promoting New Zealand's relations with the Pacific Islands and Europe. His relations with the press remain very rocky, however. Peters reportedly views a successful trip to Washington as his most important objective to date. End Summary.

13. (C) Peters hopes his meetings with the Secretary, National Security Advisor, members of the Friends of New Zealand Caucus, and others will focus on positive aspects of the bilateral relationship. According to MFAT staff, he is eager to explain areas in which NZ officials are making a difference, such as counter-terrorism capacity building assistance in the PICs. He also wants to highlight areas of bilateral cooperation, such as WTO Doha round negotiations and shared opposition to the UN draft declaration on the rights of indigenous peoples.

A Penchant for the Pacific

14. (C) Peters has been playing a constructive role in the Pacific Islands, drawing on his years of experience as a Maori politician who's developed close personal ties with

regional leaders. So far this year, he has traveled to Fiji, Tonga, Niue, the Solomon Islands, Vanuatu, the Cooks, and Papua New Guinea. His "non-linear" approach to his meetings reportedly goes over well in the Pacific. He's known for putting people at ease -- perhaps by talking first about rugby -- before delivering the Government's message.

Peters genuinely enjoys meeting with Pacific Islanders of all backgrounds. After his joint trip to the Solomons with Australian FM Downer, he remained behind to tour areas outside of Honiara (Ref B). One of Peters' most pressing -- and challenging -- goals is to convince Pacific Island leaders to work jointly to prevent being used as pawns between the PRC and Taiwan. Peters has also stated publicly that he does not believe that the United States appreciates all that New Zealand is doing in the Pacific.

¶5. (C) Peters has also traveled twice to Europe in the past three months. Visiting Russia after meetings with the EU in May, Peters reportedly hit it off with Foreign Minister Lavrov. He went on to Ukraine, the first New Zealand Foreign Minister to visit that country. On the margins of the recent Oceanic Summit meeting in Paris during his second trip to Europe, Peters convinced European Commissioner for Development Michel to provide USD 3 million in EU assistance to E. Timor.

An Improved US-NZ Relationship?

¶6. (C) Peters has from the start of his tenure as Foreign Minister called on the PM and others to improve relations with the United States, although in his many public statements (Ref A) and meetings with Embassy and U.S. officials he has offered no details on how to do this. In some respects, Peters' official position outside government has helped him to pursue a more pro-U.S. agenda, unlike Goff, who retains some hope of higher office and can't go too far against the will of left-leaning Labour Caucus members.

¶7. (C) Peters puts his pro-U.S. sentiments in practice and is warm and open in his contacts with the Ambassador. MFAT is becoming friendlier too: Emboffs understand that a "fatwa" of sorts was issued by senior officials there ordering staff to be more responsive to us. The change has been remarkable, with officials calling to offer us briefings on issues of interest and providing faster and more helpful responses to our requests. MFAT's CEO has approved the issuance of access passes for key Embassy officials, and our contacts say the idea is that more MFAT staff will remember to contact us if they see us walking the halls. While Peters has not directly initiated all of these openings, he's definitely created the environment that has encouraged them.

¶8. (C) How much Peters influences the rest of his government's policies towards us and other issues is a more open question. The press claims he and Goff compete for control of the foreign affairs portfolio, but our contacts tell us they seem to cooperate on a professional level even if there is no great warmth between them. We understand that Peters did resent the fact that Goff was the first NZ official to visit the Solomon Islands after the recent unrest there, as Peters considers the Pacific Islands to be his "patch." (Peters was on travel in Europe at the time.) But when Goff was the first to visit E. Timor -- he caught a flight to E.Timor with Australian Defence Minister Hill -- Peters reportedly shrugged it off. Our contacts say that the Prime Minister has served as liaison between the two when issues overlap. She and Peters by all accounts have a very close working relationship, and last week she attended our July 4 reception for the first time as PM. We wouldn't say that Peters alone inspired her to attend, but his influence was very possibly a factor.

¶9. (C) Peters himself is a study in contrasts -- he can be charming and outgoing, but also very retiring in certain settings, especially in new or unscripted environments. We would not be surprised, for example, if he would need to be

drawn out a bit during his Washington meetings. Peters likes a good debate, and is considered one of the most skillful combatants on the floor of Parliament. He also maintains very thorny relations with the National Party (whose Government he did help bring down, when he served in its Cabinet in the 90s). At times this can get the better of him, as when he claimed leaked e-mails proved National Party leader Don Brash was in contact with U.S. political advisors before the elections, despite claims to the contrary. When the Ambassador expressed his displeasure over the incident, Peters claimed his target was Brash's credibility, not us. We've not heard anything similar since.

¶10. (C) Peters has an open disdain for the press, especially following a series of media stories questioning the wisdom of his appointment as Foreign Minister. His relations with the New Zealand Herald are especially strained. When the paper published an article last month claiming he was sensitive over Minister Goff's role in foreign affairs, Peters countered with a statement listing some fourteen errors the paper reportedly had made. Even his staff, who have told us that the story was not true, fear the statement made it seem as though it was. Meanwhile, MFAT has been instructed not to tell the press the dates for Peters' trip to the United States: he does not want them to know until just before he leaves -- or later.

¶11. (C) One reason the press likes to cover Peters is that he leads a colorful life. He's elegant and witty, owns racehorses, and is famous for staying out late. Most observers agree, however, that he seems much more settled since starting a relationship earlier this year with Jan Trotman, an Auckland-based pharmaceutical executive.

McCormick